



# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION  
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**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

May 19, 2009

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The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF TREASURER AND TAX COLLECTOR:  
RECOMMENDATION TO AUTHORIZE THE TERMINATION OF AGREEMENT  
NUMBER 76959 WITH SOUTHWEST HAULING, DISPOSAL, & DEMOLITION, INC.  
FOR CLEANUP AND TRASH REMOVAL SERVICES  
(ALL DISTRICTS) (3-VOTES)**

**SUBJECT**

The County of Los Angeles (County) Treasurer and Tax Collector (TTC) is requesting approval to terminate for convenience County Contract No. 76959 (Contract) with Southwest Hauling, Disposal, & Demolition, Inc. (Southwest Hauling).

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize and delegate authority to the TTC, or his designee, to terminate for convenience County Contract No. 76959 with Southwest Hauling, effective upon approval of your Board.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended action will authorize the TTC, or his designee, to terminate for convenience County Contract No. 76959 with Southwest Hauling for the provision of cleanup and trash removal services.

On March 31, 2009, your Board approved the recommendation to award Contracts with Southwest Hauling and with Apex Waste Systems, Inc. (Apex) for the provision of cleanup and trash removal services. The term of the contracts will commence on

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May 1, 2009, with an annual maximum Contract Sum not to exceed \$150,000 per contract for the initial year.

Following approval of both contracts by your Board, Southwest Hauling informed TTC on April 8, 2009, that it declined to provide services as contracted due to the firm's recent reduction of employees' work hours and employee layoffs, indicating it was unable to fulfill the obligations of the Contract.

As such, TTC and County Counsel recommend that the Contract be terminated for convenience immediately, as permitted under the Contract. To expedite the termination of the Contract, TTC is requesting Southwest Hauling waive the minimum ten (10)-day period from notice of termination to effective date, as well as any other rights Southwest Hauling may have in reliance on the Contract.

Pursuant to the delegated authority approved by your Board on March 31, 2009, TTC will enter into contract negotiations with the next highest ranking bidder identified in the Invitation For Bids (IFB) process to secure a replacement Contractor. This action will ensure that this unanticipated circumstance will not jeopardize TTC's mandated operations, provided County Counsel approval is obtained prior to execution.

#### **FISCAL IMPACT/FINANCING**

This action will have minimal, if any, fiscal impact. Funds appropriated in the current year's budget for these services, which are offset by reimbursements from the individual estates and/or Department of Mental Health (Public Guardian), will continue to fund Apex at the same funding level and shift monies from Southwest Hauling to the next highest-ranked bidder, as necessary.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

TTC is terminating the Contract with Southwest Hauling pursuant to Paragraph 8.42, "Termination for Convenience," which allows for termination when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination under this provision of the Contract has been reviewed by County Counsel for legal sufficiency.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action will have minimal impact on current services. On March 31, 2009, your Board delegated authority to TTC to execute substantially similar Contract(s), without affecting the maximum Contract Sum, to the next highest ranked bid identified in the IFB process, provided County Counsel approval is obtained prior to execution.

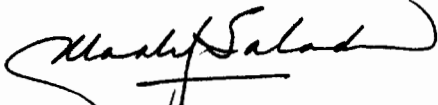
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Therefore, services that were anticipated to be performed by Southwest Hauling would be assigned to the next highest ranked bidder upon your Board's approval of the contract termination with Southwest Hauling. Cleanup and trash removal services commencing on May 1, 2009 will be largely uninterrupted since Apex would assume the initial work assignments until TTC is able to secure a replacement Contractor that will share the overall work responsibilities with Apex.

**CONCLUSION**

Instruct the Executive Officer/Clerk of the Board to return one (1) adopted Board letter to TTC.

Respectfully submitted,



MARK J. SALADINO  
Treasurer and Tax Collector

MJS:KK:WMH:hk

c: Chief Executive Officer  
County Counsel  
Auditor Controller  
Department of Mental Health